



ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2015

EDEN ENERGY LTD
& CONTROLLED ENTITIES

ABN 58 109 200 900

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HIGHLIGHTS DURING THE 2014-2015 FINANCIAL YEAR

EdenCrete™ /Carbon Nanotubes/ Carbon Nanofibres/ Hydrogen

- ❖ Eden completed its first three commercial projects with Metro Mix, a Denver based concrete company, using its EdenCrete™ concrete admixture in projects in Colorado.
- ❖ Various US trials of EdenCrete⁵⁰⁰ enriched concrete delivered improvements of up to:
 - 48% Increase in Tensile Strength in Concrete
 - 29% Increase in Compressive Strength in Concrete
 - 55% Reduction (Improvement) in Permeability in Concrete
 - 48% Reduction (Improvement) in the rate of Abrasion in Concrete
- ❖ A second US concrete company (a large national company) trialled EdenCrete™ in Colorado and indicated it intended to undertake further trials before perhaps moving to commercial projects.
- ❖ Initial discussions with the Department of Transport in the State of Georgia resulted in the preliminary steps being initiated for laboratory and field trials of EdenCrete™ to be undertaken in conjunction with the Georgia DOT. These trials took place in August 2015.
- ❖ Short term US production scale-up commenced at Eden Innovation's Colorado based facility, to attempt to satisfy the anticipated future increase in demand for EdenCrete™.
- ❖ Large scale US production scale-up design commenced and assessment of possible site selection and financing options commenced.
- ❖ Eden has incorporated EdenCrete™ Industries Inc., a wholly owned US subsidiary, to be the vehicle to undertake the production and marketing of EdenCrete™ in the US.
- ❖ An Australian Research Council linkage research grant of A\$300,000 into use of carbon nanotubes in concrete was awarded jointly to Eden and Monash University. This will be transferred to Deakin University, where Dr Frank Collins, the primary investigator has been appointed Professor of Infrastructure Materials at its Institute for Frontier Materials.
- ❖ The CNT enriched polymer and plastics project with the University of Queensland ("UQ") commenced during the year.

Optiblend™ Dual Fuel

- ❖ Sales in the USA during the year of 45 units having an aggregate value of US\$1,619,000 (A\$1,944,000).
- ❖ Following a dramatic slump during the year due to the drop in oil prices and great slow-down in US shale oil and gas exploration, an increased level of market interest in Optiblend™ dual fuel systems in both USA and India started to emerge late in the year. It is hoped that this will translate into increased sales into the next year.

UK Gas Assets

- ❖ The conditional Eden and UKOG formal merger agreement was terminated by Eden's UK joint venture partner following the failure of all the conditions to be satisfied. Since the end of the year negotiations in relation to the possible sale of Eden's UK gas assets have continued.

Corporate

- ❖ Eden completed a non-renounceable pro-rata rights issue and after shortfall placements raised a total of A\$1.98 million.

CORPORATE DIRECTORY

DIRECTORS:

Gregory H Solomon **LLB** (Executive)

Douglas H Solomon **BJuris LLB (Hons)** (Non-Executive)

Guy T Le Page **B.A., B.Sc. (Hons), M.B.A., F.FIN., MAusIMM** (Non-Executive)

Richard J Beresford **FAICD FAIE** (Non-Executive)

COMPANY SECRETARY:

Aaron P Gates **BCom CA AGIA**

REGISTERED OFFICE:

Level 15

197 St Georges Terrace

Perth

Western Australia 6000

Tel +61 8 9282 5889

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Email: mailroom@edenenergy.com.au

Website: www.edenenergy.com.au

SOLICITORS:

Solomon Brothers

Level 15

197 St Georges Terrace

Perth WA 6000

AUDITORS:

Nexia Perth Audit Services Pty Ltd

Level 3

88 William Street

Perth WA 6000

SHARE REGISTRY:

Advanced Share Registry Services

110 Stirling Highway

Nedlands WA 6009

STOCK EXCHANGE LISTING:

ASX Code: EDE (ordinary shares)

Quotation has been granted for all the ordinary shares and all issued options of the company on all Member Exchanges of the Australian Securities Exchange Limited.

REVIEW OF OPERATIONS

NANO-CARBON, HYDROGEN and HYTHANE™

Pyrolysis Project (Eden 100%)

Market progress- EdenCrete™

During the year, Eden continued its efforts to develop suitable large scale commercial markets for its nano-carbon products. In particular, Eden continued to focus on developing commercial applications of EdenCrete™, the Company's award-winning, carbon-enriched concrete additive technology that adds super strength and performance to concrete but with very little extra weight.

CNT Enriched Concrete and Cement Projects

First Three Commercial EdenCrete™ Projects

Eden completed its first three commercial projects using EdenCrete™ concrete in Denver, Colorado, using concrete supplied by Metro Mix, a Colorado based concrete company with which Eden has been collaborating on the US trials for EdenCrete™. The projects involved the construction of an aggregate bin, concrete retaining walls, steps and entrance area, and a path.

All three commercial projects in Colorado using EdenCrete™, confirmed the high quality and workability of the EdenCrete™ concrete.

US Field of EdenCrete₅₀₀

The first US projects using EdenCrete™, were all undertaken with Metro Laboratory conducting tests on the concrete that was used in the trials.

The 56 day results from these laboratory tests produced encouraging results.

After adjusting for the additional water introduced into the mix with the addition of the EdenCrete™, compared with 56 day old control cylinders of the same mix and age but which had no added EdenCrete™, the 56 day old concrete cylinders to which EdenCrete™ was added during production achieved the following improvements:

- 48% Increase in Tensile Strength after 56 days
- 29% Increase in Compressive Strength after 56 days
- 55% Reduction (Improvement) in Permeability after 56 days

These normalised results were obtained from 56 day old concrete made using a moderate strength concrete mix. Results obtained at 28 days and 56 days are the data used in defining most concrete performance standards.

Other US Trials of EdenCrete™

In another laboratory test, an average 48% reduction (improvement) in the rate of wear from abrasion in concrete enriched with EdenCrete™ (compared with a control mix without the added EdenCrete™) was achieved. This trial was conducted in accordance with US concrete standards testing procedures and simulated an accelerated rate of wear due to abrasion.

This result is particularly encouraging in relation to the possible application of EdenCrete™ in concrete to be used in building and repairing concrete highways and bridges, as a reduced rate of wear from abrasion is considered likely to translate into longer life surfaces and may well result in lower overall costs over the life of the highway or bridge surface. If these results are repeated, they could be of great relevance to the trials conducted by the Georgia Department of Transport (see below).

A second US concrete company (a large national company) that trialled EdenCrete™ in Colorado indicated it intended to undertake further trials before perhaps moving to commercial projects. Consequentially, all companies that have now trialled EdenCrete™ (both in the US and in Australia), together with Eden itself, have all experienced encouraging increases of compressive and/or flexural or tensile strength, or reductions in permeability and/or the rate of wear due to abrasion in laboratory trials.

Other concrete companies in the US, have also expressed interest in trialing EdenCrete™.

Preliminary investigation into the suitability and possible commercial application of EdenCrete™ in pre-fabricated concrete products has also commenced and will be further explored. Subsequent to the end of the year, the first commercial sale of EdenCrete™ for these purposes was achieved.

State of Georgia Department of Transport

Initial discussions with the Department of Transport (DOT) in the State of Georgia also took place during the year and resulted in both laboratory and field trials of EdenCrete™ being undertaken in conjunction with the Georgia DOT in August 2015. In addition to many concrete highways and other concrete infrastructure, Georgia has in excess of 15,000 concrete bridges (ranging from small to large) and a recent audit indicated that over 4,000 were not suitable for repair and need to be replaced over the next 20 years, at an estimated annual cost of in excess of \$300 million.

EDEN ENERGY LIMITED ABN 58 109 200 900 and Controlled Entities

Successfully completing the field and laboratory trials is the prerequisite to being added to the approved product list of DOT. Of relevance, it may be possible for the approval by one State's DOT to be easily adopted by the DOT in another State.

Establishment of Large, Commercial Scale US EdenCrete™ Production Capacity

Discussions with various interested parties and relevant authorities commenced during the year, initially focusing on Georgia and related to both the possible location and financing in the US of Eden's first proposed large scale EdenCrete™ production facility. A final decision on the chosen location and method of financing is anticipated this calendar year.

Large Scale US Production Scale-Up Design Commences

A specialist engineering group commenced work on the preliminary design work on a reactor capable of producing up to a targeted 250 tonnes of carbon nanotubes (CNT) per annum, which would be sufficient to produce enough EdenCrete™ to supply approximately 1% of the annual US Interstate Highways' concrete demand (based on figures published in 2005 by the US Geological Survey). The anticipated time to design and build this reactor is likely to be between 15-18 months. A further expansion of production capability of CNT to up to 1,000 tonnes per annum is also being planned over the following two years. The size of these reactors may change as possible economies of scale and other relevant issues emerge during the design phase of this project.

Short Term US Production Scale-Up Underway

Steps were also commenced to increase the short term CNT production capacity at Eden Innovation's Colorado based facility, with a view to expanding this capacity as required to attempt to satisfy the targeted increase in demand for EdenCrete™ until the large scale facility comes on line.

New US Subsidiary Company Established

Eden incorporated a new, wholly owned US subsidiary named EdenCrete Industries Inc. that will be used as the vehicle to undertake the production and marketing of EdenCrete™ in the US.

CNT Enriched Polymers and Plastics Project in Australia

The CNT enriched polymer and plastics project with the University of Queensland ("UQ") which is partly funded by an ARC grant, commenced during the year. This project is aiming to develop reinforced polymer composites for potential automotive and aerospace applications.

UQ was awarded a \$255,000 grant by the Australian Research Council in 2014 to partially fund this three year project. This collaboration project follows earlier preliminary encouraging results from the addition of Eden's carbon nanotubes into polypropylene.

CNT Enriched Polymers and Plastics Project in India

An Indian company undertook preliminary trials using Eden's nanotubes in polymer coatings, polymer composites, anti-corrosive coatings and antifouling coatings with encouraging results. Follow-up discussions regarding a possible collaboration were scheduled, but at the date of this report have not yet resulted in any agreement being reached.

Background

Eden has developed an efficient, commercially competitive pyrolysis process to produce carbon nanotube (CNT) and carbon nano-fibres. Eden remains optimistic that it will develop suitable markets for the nano-carbon products that it can produce. Eden currently has established production capabilities at its subsidiary in Colorado that enable it to produce up to 40 tonnes of nano-carbon per year from a feedstock of natural gas (methane).

Additionally, the only other major by-product from Eden's pyrolysis process is hydrogen, the real cost of which will be dependent upon the value of the carbon produced. The quantity of hydrogen produced will be 25% (by weight) of the quantity of carbon produced.

This hydrogen can be used either re-mixed with natural gas to create Hythane™ to fuel the pyrolysis reactor, generate electricity or captured and fed into the various hydrogen/Hythane™ applications that Eden has been developing, to try and accelerate the commercial rollout of these hydrogen applications based on the relatively low cost hydrogen. The current cost of hydrogen is one of the major limiting factors holding back a broader rollout of hydrogen and Hythane™. Encouragingly, the hydrogen produced using the Eden pyrolysis process will generate only a relatively very small amount of greenhouse gas as a by-product compared with most other currently available methods of hydrogen production, and in consequence it is projected that the hydrogen is likely to be both commercially competitive and environmentally preferable. However, as the quantity of CNT currently required is relatively small, in the early stages at least it is most likely that the hydrogen by-product will be used as fuel in the CNT production process thereby reducing both the CNT production costs and the CNT production Greenhouse Gas footprint.

REVIEW OF OPERATIONS

OPTIBLEND™ DUAL FUEL SYSTEM (EDEN 100%)

US OptiBlend™ Progress

Eden Innovations (formerly Hythane Company), the wholly owned US subsidiary of Eden, sold 45 OptiBlend™ dual fuel system units totalling US\$1,600,000 (A\$1,947,000) during the year.

A significant fall in the price of oil during the year led to a severe decline in US OptiBlend™ sales. If and when global oil prices rise, a growth of sales of OptiBlend™ into the US oil and gas exploration and production markets is anticipated. It is also hoped that the oil and gas markets will be supplemented by demand from prime power markets such as agriculture (for uses such as powering irrigation pumps) and industrial plants, with additional requirements in backup power for hospitals and data centres. Additionally, expansion in suitable overseas markets is also anticipated in due course, particularly in India.

During the latter part of the year, a modest increased level of market interest in OptiBlend™ dual fuel systems in both USA and India started to emerge. It is hoped this will translate into increased sales in the coming year.

Eden Innovations is continuing to work on trying to establish a number of partnerships to increase its bi/dual fuel offerings. These proposed partnerships include work with various OEMs to become their default supplier and/or supplier of private labelled OptiBlend™ technology.

India OptiBlend™ Progress

During the year, Eden Energy India received no new orders for OptiBlend™ systems in India, but tendered on a reasonably substantial opportunity to supply dual fuel to the emerging Indian shale gas exploration market. However, an increased level of interest, particularly from an emerging Indian shale gas exploration industry, is emerging and is hoped will translate into sales in the coming year.

OptiBlend™ Background

Eden has developed an efficient dual fuel system that is capable of operating on diesel engines and displacing up to 70% of the diesel fuel with natural gas. If Hythane™ fuel (hydrogen enriched natural gas) is used in place of natural gas, the displacement of diesel fuel could be as high as 80%. The use of the natural gas will greatly reduce greenhouse gas emissions and, in places where natural gas is cheaper than diesel, will also reduce fuel costs. It has significant market potential particularly in the diesel powered generator set ("genset") market.

As a result of the increase in shale gas recovery in USA, the lower priced natural gas has resulted in a large market in USA for the conversion of these diesel engines to operate on a dual-fuel system of both natural gas and diesel is anticipated. Depending upon the size of the engine and the number of hours per day that it operates, payback times for the conversions are mostly a lot less than 12 months, so the cost is minimal compared to the replacement cost of a natural gas generator.

Hythane™ Fuel Projects

Indian Hythane Bus Demonstration Projects

No progress was made during the year on any of the potential Indian Hythane™ projects. Whilst Eden remains hopeful that these projects may ultimately proceed, particularly if in the longer term, Eden can utilise low cost hydrogen produced as a by-product from its pyrolysis project to produce carbon nanotubes, at present these projects are looking unlikely to occur.

UK GAS PROJECT

The formal conditional merger agreement with its existing UK gas and petroleum Joint Venture partners was terminated during the year. However, ongoing discussions with our UK JV partner related to a possible merger or sale on some basis or other are continuing in difficult market conditions.

The UK Gas Assets

The UK Gas Assets, held by Eden's wholly owned UK subsidiary, comprise Eden's 50% joint venture interests in 9 Petroleum and Development Licences (PEDLs) in England and South Wales. It is possible that some of these licences may be relinquished in light of the current difficult operating conditions and the political uncertainty that may arise if the UK Government devolves power over Welsh PEDLs to the Welsh Authority as foreshadowed.

CORPORATE

Rights issue

Eden completed a non-renounceable pro-rata rights issue and after shortfall placements raised a total of A\$1.98 million.

DIRECTORS' REPORT

Your directors present their report on the Company and its controlled entities for the financial year ended 30 June 2015.

Directors

The names of directors in office at any time during or since the end of the year are:

Gregory H Solomon	Guy T Le Page
Douglas H Solomon	Richard J Beresford

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company Secretary

The following person held the position of company secretary at the end of the financial year:

Mr Aaron P Gates has worked for Eden Energy Ltd for the past 7 years. He is a Chartered Accountant and Chartered Secretary. He has completed a Bachelor of Commerce (Curtin University) with majors in accounting and business law and completed a Diploma of Corporate Governance. Prior to joining Eden he worked in public practice in audit and corporate finance roles.

Principal Activities

Eden Energy Ltd ("Eden") is a diversified clean energy company created to provide access to a range of exciting new, clean green energy opportunities. Eden holds interests in:

- carbon nano-tube / fibre production;
- EdenCrete™ technology;
- OptiBlend™;
- hydrogen fuel technologies; and
- coal bed/coal mine methane licences.

There were no other significant changes in the nature of the consolidated group's principal activities during the financial year.

Operating Results

The consolidated loss of the group after providing for income tax amounted to \$5,499,496 (2014: \$1,390,514) The consolidated loss included a loss after tax from discontinued operations of \$3,736,324, mainly due to the loss on re-measurement of the UK gas asset to fair value less costs to sell of \$3,551,873.

Dividends Paid or Recommended

No dividends were paid or declared for payment during the year.

Review of Operations

A review of the operations of the Group during the year ended 30 June 2015 is set out in the Review of Operations on Page 5.

Financial Position

The net assets of the consolidated group have decreased by \$3,222,433 from 30 June 2014 to \$2,161,307 in 2015. This decrease has largely resulted from the re-measurement of the assets held for sale (UK Gas Assets) during the year. The group's working capital, being current assets less current liabilities, has increased from \$8,453 in 2014 to \$120,196 in 2015.

Significant Changes in State of Affairs

Eden completed a non-renounceable pro-rata rights issue and after shortfall placements raised a total of A\$1.98 million.

There have been no other significant changes in the state of affairs occurred during the financial year.

After Balance Date Events

On 10 August 2015, 30,061,627 shares (each with a free attaching EDEO option) were issued to Noble Energy Pty Ltd, GH Solomon, DH Solomon, GT Le Page and Princebrook Pty Ltd to convert \$420,863 of outstanding debts into equity.

On 2 September 2015, 2,076,851 EDEO options were exercised at \$0.03 each thereby raising \$62,306.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the group, the results of those operations, or the state of affairs of the group in future financial years.

Future Developments, Prospects and Business Strategies

The Group proposes to continue developing and marketing its technologies, including EdenCrete™ and OptiBlend™ as detailed in the Review of Operations.

Environmental Issues

The Group is the subject of environmental regulation with respect to mining exploration and will comply fully with all requirements with respect to rehabilitation of exploration sites.

DIRECTORS' REPORT

Information on Directors

Gregory H Solomon

Executive Chairman

Qualifications

LLB

Experience

Appointed chairman 2004. Board member since 2004. A solicitor with more than 30 years Australian and international experience in a wide range of areas including mining law, commercial negotiation (including numerous mining and exploration joint ventures) and corporate law. He is a partner in the Western Australian legal firm, Solomon Brothers and has previously held directorships of various public companies since 1984 including two mining/exploration companies.

Interest in Shares and Options

25,138,676 Ordinary Shares, 11,835,373 EDEO options

Directorships held in other listed entities

Tasman Resources Limited (ASX:TAS)
Conico Limited (ASX:CNJ)

Douglas H Solomon

Non-Executive

Qualifications

BJuris LLB (Hons)

Experience

Board member since May 2004. A Barrister and Solicitor with more than 20 years experience in the areas of mining, corporate, commercial and property law. He is a partner in the legal firm, Solomon Brothers.

Interest in Shares and Options

21,484,609 Ordinary Shares, 10,425,309 EDEO options

Directorships held in other listed entities

Tasman Resources Limited (ASX:TAS)
Conico Limited (ASX:CNJ)

Guy T Le Page

Non-Executive

Qualifications

B.A., B.Sc. (Hons), M.B.A., F.FIN., MAusIMM

Experience

Board member since May 2004. Currently a corporate adviser specialising in resources. He is actively involved in a range of corporate initiatives from mergers and acquisitions, initial public offerings to valuations, consulting and corporate advisory roles. He previously spent 10 years as an exploration and mining geologist in Australia, Canada and the United States. His experience spans gold and base metal exploration and mining geology and he has acted as a consultant to private and public companies. This professional experience included the production of both technical and valuation reports for resource companies.

Interest in Shares and Options

1,910,072 Ordinary Shares, 1,910,072 EDEO Options

Directorships held in other listed entities

Tasman Resources Limited (ASX:TAS)
Conico Limited (ASX:CNJ)
Red Sky Energy Limited (ASX:ROG)
Palace Resources Limited (ASX:PXR)
Soil Sub Technologies Ltd (ASX: SOI)
AXG Mining Ltd (ASX: AXC)

Richard J Beresford

Non-Executive

Qualifications

FAICD FAIE

Experience

Board member since May 2007. Mr Beresford has an engineering background and has in excess of 30 years' experience in renewable energy and natural gas. This includes corporate experience with British Gas (now BG) in the UK and Indonesia, Woodside in Australia and China Light and Power (CLP) in Hong Kong. Mr Beresford has been a director and company chairman of several listed and unlisted companies.

Interest in Shares and Options

3,500,000 Ordinary Shares, 700,000 EDEO Options

Directorships held in other listed entities

Liquefied Natural Gas Limited (ASX:LNG)
Green Rock Energy Limited (ASX:GRK)

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED)

This report details the nature and amount of remuneration for each director of Eden Energy Limited, and for the executives receiving the highest remuneration.

Remuneration policy

The remuneration policy of Eden Energy Limited has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the consolidated Group's financial results. The board of Eden Energy Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the consolidated group, as well as create goal congruence between directors, executives and shareholders.

The board's policy for determining the nature and amount of remuneration for board members and senior executives of the economic entity is as follows:

- All executives receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits and options.

Executives are also entitled to participate in the employee share and option arrangements.

The executive directors and executives receive a superannuation guarantee contribution required by the government, which is currently 9.5%, and do not receive any other retirement benefits. Some individuals, however, have chosen to sacrifice part of their salary to increase payments towards superannuation.

All remuneration paid to directors and executives is valued at the cost to the Company and expensed. Shares issued to directors and executives are valued as the difference between the market price of those shares and the amount paid by the director or executive. Options are valued using the Black-Scholes methodology. The Group does not have a policy on directors hedging their shares.

The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting. Fees for non-executive directors are not linked to the performance of the consolidated group. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company and are able to participate in the employee option plan.

Performance-based remuneration

No performance based remuneration was paid during the year.

Key Management Personnel Remuneration Policy

The Board's policy for determining the nature and amount of remuneration of management for the Group is as follows:

The remuneration structure for key management personnel is based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the Company. The contracts for service between the Company and key management personnel are on a continuing basis, the terms of which are not expected to change in the immediate future. Upon retirement key management personnel are paid employee benefit entitlements accrued to date of retirement. Any options not exercised before or on the date of termination lapse.

Key Management Personnel Remuneration

Key Management Person	Short-term Benefits			Post-Employment Benefits	Other Long Term Benefits	Termination Benefits	Share-based Payment		Total	Performance Related
	Salary and Fees	Cash profit share	Non-cash benefit				Equity	Options		
	\$	\$	\$	\$	\$		\$	\$	\$	%
2015										
Gregory H Solomon	172,500	-	-	16,387	-	-	-	-	188,887	-
Douglas H Solomon	36,000	-	-	3,420	-	-	-	-	39,420	-
Guy T Le Page	36,000	-	-	3,420	-	-	-	-	39,420	-
Richard J Beresford	36,000	-	-	3,420	-	-	-	-	39,420	-
Roger W Marmaro	347,808	-	27,602	14,976	-	-	-	-	390,386	-
Aaron P Gates	(a)	-	-	-	-	-	-	-	-	-
	628,308	-	27,602	41,623	-	-	-	-	697,533	-

DIRECTORS' REPORT

Key Management Personnel Remuneration continued

Key Management Person	Short-term Benefits			Post-Employment Benefits	Other Long Term Benefits	Termination Benefits	Share-based Payment	Total	Performance Related
	Salary and Fees	Cash profit share	Non-cash benefit	Super-annuation	Other	Other	Equity Options		
	\$	\$	\$	\$	\$	\$	\$	\$	%
2014									
Gregory H Solomon	172,500	-	-	15,956	-	-	-	188,456	-
Douglas H Solomon	36,000	-	-	3,330	-	-	-	39,330	-
Guy T Le Page	36,000	-	-	3,330	-	-	-	39,330	-
Richard J Beresford	36,000	-	-	3,330	-	-	-	39,330	-
Roger W Marmaro	301,955	-	23,669	14,664	-	-	-	340,288	-
Aaron P Gates	(a)	-	-	-	-	-	-	-	-
	582,455	-	23,669	40,610	-	-	-	646,734	-

(a) This officer is provided by Princebrook Pty Ltd (a company in which Mr Gregory H Solomon and Mr Douglas H Solomon have an interest) under the Management services Agreement with the Company. During the year the Company paid \$194,670 (2014: \$194,670) to Princebrook Pty Ltd for management services.

(b) The appointment of Roger Marmaro, the President of Eden Innovations in the USA, may be terminated by giving not less than two months' written notice.

Options issued as part of remuneration for the year ended 30 June 2015

No options were issued as part of remuneration during the year.

Shares Issued on Exercise of Compensation Options

No options were exercised during the year.

<End of Remuneration Report>

Meetings of Directors

During the financial year, 3 meetings of directors were held. Attendances by each director during the year were as follows:

	Number eligible to attend	Number attended
Gregory H Solomon	3	3
Douglas H Solomon	3	3
Guy T Le Page	3	3
Richard J Beresford	3	3

DIRECTORS' REPORT

Options

Options granted to directors and executives of the Group

No options were granted during the year. Since the end of the financial year the following options were issued to directors pursuant to a shareholder meeting to convert debt (accumulated unpaid directors' fees and management fees) into equity:

Director	Grant Date	Date of Expiry	Exercise Price	Number under Option
Gregory H Solomon	10 August 2015	30 September 2018	\$0.03	12,367,635
Douglas H Solomon	10 August 2015	30 September 2018	\$0.03	2,581,072
Guy T Le Page	10 August 2015	30 September 2018	\$0.03	1,910,072
				<hr/> 16,858,779

Unissued shares under options

At the date of this report, the unissued ordinary shares of Eden Energy Limited under option are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
21 November 2012	20 November 2015	\$0.025	3,300,000
Various	30 September 2018	\$0.03	214,609,826
			<hr/> 217,909,826

The Options expiring on 20 November 2015 are all held, pursuant to the Company's Employee Share Option Plan, by overseas employees or directors of subsidiaries of the Company. No person entitled to exercise the option has any right by virtue of the option to participate in any share issue of any other body corporate.

Indemnifying Officers or Auditor

The Company has arranged for an insurance policy to insure the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the Company, other than conduct involving a wilful breach of duty in relation to the Company. The total premium payable was approximately \$22,200.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Non-audit Services

The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

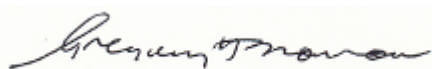
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

No fees for non-audit services were paid / payable to the external auditors during the year ended 30 June 2015.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2015 has been received and can be found on page 13.

Signed in accordance with a resolution of the Board of Directors.



Gregory H Solomon
Chairman

Dated this 25th day of September 2015

Lead auditor's independence declaration under section 307C of the Corporations Act 2001

To the directors of Eden Energy Ltd

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2015 there have been:

- (i) no contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Nexia Perth Audit Services Pty Ltd



TJ Spooner

Director

Perth, 25 September 2015

Nexia Perth Audit Services Pty Ltd

ACN 145 447 105

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR YEAR ENDED 30 JUNE 2015**

	Note	Consolidated Group	
		2015	2014
		\$	\$
Revenue	2	1,947,436	1,823,480
Other income		2,911	110,666
Raw materials and consumables used		(613,701)	(689,470)
Accounting and audit expense		(79,921)	(83,364)
Advertising and marketing expense		(184,372)	(142,790)
Depreciation and amortisation expense		(102,992)	(82,238)
Employee benefits expense	3	(1,871,088)	(1,685,866)
Finance costs		(41,358)	(219)
Foreign exchange gain / (loss)		13,891	(113)
Impairment of intellectual property		(2,402)	(547)
Impairment of exploration costs		-	(2,458)
Impairment of receivables		(7,560)	(2,195)
Legal and other consultants expense		(131,903)	(70,279)
Management fees		(194,670)	(194,670)
Rent expense		(99,610)	(90,762)
Research expenditure		(56,634)	(35,000)
Settlement of debtor	4A	-	102,698
Settlement of provision	4B	-	165,330
Travel and accommodation expense		(178,759)	(186,830)
Other expenses		(162,440)	(288,451)
Loss before income tax		(1,763,172)	(1,353,078)
Income tax (expense)/benefit	7	-	-
Loss from continuing operations		(1,763,172)	(1,353,078)
Loss after tax from discontinuing operations	13	(3,736,324)	(37,436)
Loss for the year		(5,499,496)	(1,390,514)
Other Comprehensive Income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation reserve		294,220	193,477
Income tax relating to comprehensive income		-	-
Total Other Comprehensive Income, net of tax		294,220	193,477
Total Comprehensive Income / (Loss) attributable to members of the parent		(5,205,276)	(1,197,037)
Basic/Diluted loss per share (cents per share)	6	(0.6875)	(0.1872)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015

	Note	Consolidated Group	
		2015	2014
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	10	507,504	164,891
Trade and other receivables	11	71,857	400,836
Inventories	12	552,797	428,448
Other current assets		67,050	5,148
		<u>1,199,208</u>	<u>999,323</u>
Assets held for sale	13	647,131	3,854,309
TOTAL CURRENT ASSETS		<u>1,846,339</u>	<u>4,853,632</u>
NON-CURRENT ASSETS			
Property, plant and equipment	14	184,875	170,386
Intangible assets	17	1,804,923	1,350,592
TOTAL NON-CURRENT ASSETS		<u>1,989,798</u>	<u>1,520,978</u>
TOTAL ASSETS		<u>3,836,137</u>	<u>6,374,610</u>
CURRENT LIABILITIES			
Trade and other payables	18	688,500	891,148
Interest bearing liabilities	19	250,000	-
Provisions	20	140,512	99,722
		<u>1,079,012</u>	<u>990,870</u>
Liabilities directly associated with the assets held for sale	13	595,818	-
TOTAL CURRENT LIABILITIES		<u>1,674,830</u>	<u>990,870</u>
TOTAL LIABILITIES		<u>1,674,830</u>	<u>990,870</u>
NET ASSETS		<u>2,161,307</u>	<u>5,383,740</u>
EQUITY			
Issued capital	21	55,567,452	53,584,609
Reserves	23	2,499,224	2,205,004
Retained earnings		(55,905,369)	(50,405,873)
TOTAL EQUITY		<u>2,161,307</u>	<u>5,383,740</u>

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 30 JUNE 2015

	Share Capital				Total
	Ordinary	Option Reserve	Foreign Currency Translation Reserve	Accumulated Losses	
	\$	\$	\$	\$	\$
Balance at 30 June 2013	52,202,937	2,046,258	(34,731)	(49,015,359)	5,199,105
Shares issued during the year, net of issue costs	1,381,672	-	-	-	1,381,672
Loss for year	-	-	-	(1,390,514)	(1,390,514)
Other comprehensive loss	-	-	193,477	-	193,477
Total comprehensive loss	-	-	193,477	(1,390,514)	(1,197,037)
Balance at 30 June 2014	53,584,609	2,046,258	158,746	(50,405,873)	5,383,740
Shares issued during the year, net of issue costs	1,982,843	-	-	-	1,982,843
Loss for year	-	-	-	(5,499,496)	(5,499,496)
Other comprehensive loss	-	-	294,220	-	294,220
Total comprehensive loss	-	-	294,220	(5,499,496)	(5,205,276)
Balance at 30 June 2015	55,567,452	2,046,258	452,966	(55,905,369)	2,161,307

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR YEAR ENDED 30 JUNE 2015

	Note	Consolidated Group	
		2015	2014
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		2,132,493	1,589,987
Payments to suppliers and employees		(3,298,287)	(3,122,803)
Other receipts		-	144,212
Interest paid		(34,849)	-
Interest received		2,452	16,454
Net cash (used in) operating activities	22	(1,198,191)	(1,372,150)
CASH FLOWS FROM INVESTING ACTIVITIES			
Exploration expenditure	13	(226,326)	(152,878)
Purchase of property, plant and equipment	14	(29,092)	(10,890)
Payment for research and development	17	(476,254)	(214,333)
Proceeds on sale of subsidiary		-	800,000
Net cash provided by (used in) investing activities		(731,672)	421,899
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares, net of issue costs		1,982,843	981,672
Payment of monies to settle funding agreement		-	(347,519)
Proceeds from borrowings		900,000	-
Repayment of borrowings		(650,000)	-
Net cash provided by financing activities		2,232,843	634,153
Net increase (decrease) in cash held		302,980	(316,098)
Net increase (decrease) due to foreign exchange movements		39,633	(18,041)
Cash at beginning of financial year		164,891	499,030
Cash at end of financial year	10	507,504	164,891

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. The financial report of Eden Energy Ltd and controlled entities complies with all International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board in their entirety.

The financial report covers the consolidated group of Eden Energy Ltd and controlled entities as at and for the year ended 30 June 2015. Eden Energy Ltd is a listed public company, incorporated and domiciled in Australia. The Group is a for-profit entity and primarily is involved in green energy technology.

The financial report was authorised for issue on 25 September 2015 by the Board of Directors.

The following is a summary of the material accounting policies adopted by the consolidated group in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Basis of Preparation

The accounting policies set out below have been consistently applied to all years presented.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied. These consolidated financial statements are presented in Australian dollars, which is the Parent's functional currency. The subsidiaries' functional currencies are USD, GBP and INR.

Going Concern

These financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities, the realisation of assets and extinguishment of liabilities in the ordinary course of business.

The Group has reported a loss of \$5,499,496 for the year (2014: \$1,390,514), a cash outflow from operating activities of \$1,198,191 (2014: \$1,372,150) and a working capital surplus of \$120,196 (2014: \$8453).

The directors are confident that the Group, subject to being able to raise further capital, will be able to continue its operations as a going concern. Without such capital, the net loss for the period and the cash outflow from operating activities indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. The directors also carefully manage discretionary expenditure in line with the Group's cash flow.

The continuing applicability of the going concern basis of accounting is dependent upon the Group's ability to source additional finance. Unless additional finance is received, the Group may need to realise assets and settle liabilities other than in the normal course of business and at amounts which could differ from the amounts at which they are stated in these financial statements.

Accounting Policies

a. Principles of Consolidation

A controlled entity is any entity Eden Energy Ltd is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. A list of controlled entities is contained in Note 16 to the financial statements. All controlled entities have a June financial year-end.

All inter-company balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

b. Income Tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss. Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

Eden Energy Ltd, Adamo Energy Ltd and Eden Energy Holdings Pty Ltd, its wholly-owned Australian subsidiaries, have formed an income tax consolidated group under the tax consolidation regime. The Group notified the Australian Tax Office that it had formed an income tax consolidated group to apply from 1 July 2005. The tax consolidated group has entered a tax sharing agreement whereby each company in the group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group. The R&D tax rebate is recognised upon receipt.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c. **Inventories**

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Costs are assigned on the basis of first-in, first-out.

d. **Segment reporting**

Segment results that are reported to the Group's board of directors (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

e. **Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	15 – 50% straight line

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

f. **Exploration and Evaluation Expenditure**

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward where the right to tenure is current and to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

g. **Assets held for sale**

Non-current assets are classified as held-for-sale if it is highly probable that they will be recovered through sale rather than continuing use.

Immediately before classification as held-for-sale, the assets are remeasured in accordance with the Group's other accounting policies. Thereafter generally the assets are measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held-for-sale and subsequent gains or losses on remeasurement are recognised in profit or loss.

h. **Interests in Joint Operations**

The consolidated financial statements include the assets that the Group controls and the liabilities that it incurs in the course of pursuing the joint operation and the expenses that the Group incurs and its share of the income that it earns from the joint operation. Details of the consolidated group's interests are shown at Note 15.

i. **Financial Instruments**

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i. Financial Instruments continued

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an asset is impaired. Impairment losses are recognised in the income statement.

j. Impairment of Assets

At each reporting date, the group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

k. Intangibles

Research and development

Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably.

Development costs have a finite life and are amortised on a systematic basis matched to the future economic benefits over the useful life of the project.

Intellectual Property

Intellectual property, which includes trademarks and engineering knowledge, is included in the financial statements at cost, being their fair value on acquisition.

Intellectual property and trademarks are only amortised or written down where the useful lives are limited or impaired by specific circumstances, in such cases amortisation is charged on a straight line basis over their useful lives and write downs are charged fully when incurred. The directors have assessed the useful life of the intellectual property and have determined that it has a finite useful life of 10 years. The intellectual property is amortised on a systematic basis matched to the future economic benefits over the useful life of the project.

Intellectual property is amortised over 10 years in line with its useful life.

l. Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

m. Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the income statement.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

m. Foreign Currency Transactions and Balances continued

Group companies

The financial results and position of foreign operations whose functional currency is different from the group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the group's foreign currency translation reserve in the balance sheet. These differences are recognised in the income statement in the period in which the operation is disposed. Intercompany loans are treated as investments for foreign currency translation purposes.

n. Equity-settled compensation

The group operates a number of share-based compensation plans. These include both a share option arrangement and an employee share scheme. The bonus element over the exercise price of the employee services rendered in exchange for the grant of shares and options is recognised as an expense in the income statement. The total amount to be expensed over the vesting period is determined by reference to the fair value of the shares of the options granted.

o. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

p. Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

q. New accounting standards and interpretations

AASB 2013-3 Amendments to AASB 136, AASB 2013-4 Amendments to Australian Accounting Standards, Interpretation 21 Accounting for Levies and AASB 2014-1 Amendments to Australian Accounting Standards.

These standards were adopted on 1 July 2014 and have been applied in preparing these consolidated financial statements. The adoption of these standards did not have any impact on the current period or any prior period and is not likely to affect future periods.

r. New accounting standards and interpretations not yet adopted

A number of new standards and amendments to standards are effective for annual periods beginning after 1 July 2015, and have not been applied in preparing these consolidated financial statements. The Group does not plan to adopt these standards early.

Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

Key Estimates — Impairment

The group assesses impairment of assets held for sale and intangible assets at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. At the date of this report the Group has sufficient reason to believe that the fair value less costs to sell of assets held for sale is higher than the carrying amount of assets held for sale and no impairment triggers exist for intangible assets.

There is a significant risk of actual outcomes being different from those forecasted due to changes in economic or market conditions and events.

Key Estimates — Share-based payment transactions

The consolidated entity measures the cost of equity settled transactions with suppliers by reference to the fair value of the equity instruments as at the date at which they are granted. The fair value is determined using a Black-Scholes model. Refer to Note 27 for the inputs to the Black-Scholes model.

Key Estimates — Fair Value Less Costs to Sell of Assets Held for Sale

The consolidated entity measures the fair value less costs to sell based on expected consideration and costs to sell. Refer to Note 13.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

NOTE 2: REVENUE

	2015	2014
	\$	\$
Operating activities		
— sale of goods or services	1,947,436	1,823,480
Total Revenue	<u>1,947,436</u>	<u>1,823,480</u>

NOTE 3: EMPLOYEE BENEFITS

Short-term employee benefits	(1,777,536)	(1,606,345)
Post-employment benefits	(93,552)	(79,521)
Other long-term benefits	-	-
Termination benefits	-	-
Share based payments	-	-
Total	<u>(1,871,088)</u>	<u>(1,685,866)</u>

NOTE 4A: SETTLEMENT OF DEBTOR

Amount received from Drivetrain relating to sale of Hyradix, Eden Cryo & CTS in 2008	-	800,000
Carrying value of debtor	-	(680,000)
Associated legal fees	-	(17,302)
	<u>-</u>	<u>102,698</u>

NOTE 4B: SETTLEMENT OF PROVISION

Amount paid to La Jolla Cove Investors Inc	-	(347,519)
Associated legal fees	-	(14,696)
Reversal of provision	-	527,545
	<u>-</u>	<u>165,330</u>

NOTE 5: AUDITORS' REMUNERATION

Remuneration of the auditor of the parent entity for:		
— auditing or reviewing the financial report	42,880	41,760
Remuneration of other auditors of subsidiaries for:		
— auditing or reviewing the financial report	31,360	33,292

NOTE 6: EARNINGS PER SHARE

	2015	2014
	\$	\$
a. Reconciliation of earnings to profit or loss		
Profit/(loss)	(5,499,496)	(1,390,514)
Earnings used to calculate basic EPS	<u>(5,499,496)</u>	<u>(1,390,514)</u>
b. Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	<u>799,929,008</u>	<u>742,769,469</u>

The options on issue are not potentially dilutive shares.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
NOTE 7: INCOME TAX BENEFIT		
a. The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax as follows:		
Prima facie tax payable on loss from ordinary activities before income tax at 30% (2014: 30%)	(528,952)	(417,154)
Add tax effect of:		
— Non-deductible expenses	-	1,690
— Current year tax losses not recognised	702,346	728,116
Less tax effect of:		
— Current year temporary differences not recognised	(173,394)	(312,652)
Income tax expense / (benefit)	-	-
b. Components of deferred tax		
— Unrecognised deferred tax asset – losses	15,872,639	15,114,958
— Capital raising costs	33,255	41,229
— Provisions and accruals	42,154	29,917
— Exploration and evaluation	(1,348,783)	(1,156,293)
— Intangibles	(485,227)	(348,928)
Total unrecognised deferred tax asset	14,114,038	13,680,883

Deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary differences and tax losses can be utilised. The benefit of the tax losses will only be obtained if the Group complies with conditions imposed by the relevant tax legislation.

NOTE 8: RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties:

Key Management Personnel

Management fees and administration fees paid/payable to Princebrook Pty Ltd, a company in which Mr GH Solomon and Mr DH Solomon have an interest. At 30 June 2015 an amount of \$174,529 (2014: \$32,445) was included in Trade and Other Payables as owing to Princebrook Pty Ltd.	194,670	194,670
Amount included in Trade and Other Payables as owing to Mr Gregory H Solomon for unpaid directors fees and superannuation.	204,628	32,847
Amount included in Trade and Other Payables as owing to Mr Douglas H Solomon for unpaid directors fees and superannuation.	42,705	6,855
Amount included in Trade and Other Payables as owing to Mr Guy T Le Page for unpaid directors fees and superannuation.	42,705	6,855
Amount included in Trade and Other Payables as owing to Mr Richard J Beresford for unpaid directors fees and superannuation.	5,280	6,855
Legal fees paid/payable to Solomon Brothers, a firm in which Mr GH Solomon and Mr DH Solomon are partners.	57,544	58,564
Capital raising fees paid to RM Corporate Finance, a firm in which Mr G T Le Page has an interest.	30,000	-
Consulting fees paid to Orequest Pty Ltd, a company in which Mr G T Le Page has an interest.	1,200	-

Associated Companies

Noble Energy Pty Ltd, a company which has a 46% (2014: 46%) fully diluted interest in Eden, purchased fully paid ordinary shares in Eden taking up its entitlement in a rights issue.	873,303	499,030
Noble Energy Pty Ltd, a company which has a 46% (2014: 46%) fully diluted interest in Eden, provided an unsecured loan to the company at an interest rate of 10% pa. The balance of this loan at 30 June 2015 was \$250,000 (2014: \$Nil).	900,000	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

NOTE 9: KEY MANAGEMENT PERSONNEL COMPENSATION

a. Names and positions held of economic and parent entity key management personnel in office at any time during the financial year are:

Key Management Person	Position
Gregory H Solomon	Executive Chairman
Douglas H Solomon	Non-Executive Director
Guy T Le Page	Non-Executive Director
Richard J Beresford	Non-Executive Director
Roger W Marmaro	President Eden Innovations LLC
Aaron P Gates	Company Secretary / Chief Financial Officer

Key management personnel remuneration is included in the Remuneration Report of the Directors' Report.

b. Options and Rights Holdings

Number of Options Held by Key Management Personnel

	Balance 30.6.2014	Granted as Compen- sation	Options Exer- cised	Net Change* Other	Balance 30.6.2015	Total Vested 30.6.2015	Total Exercisable 30.6.2015	Total Unexer- cisable 30.6.2015
Gregory H Solomon	-	-	-	3,325,827	3,325,827	3,325,827	3,325,827	-
Douglas H Solomon	-	-	-	2,764,826	2,764,826	2,764,826	2,764,826	-
Guy T Le Page	-	-	-	-	-	-	-	-
Richard J Beresford	-	-	-	700,000	700,000	700,000	700,000	-
Roger W Marmaro	500,000	-	-	-	500,000	500,000	500,000	-
Aaron Gates	-	-	-	75,000	75,000	75,000	75,000	-
Total	500,000	-	-	6,865,653	7,365,653	7,365,653	7,365,653	-

	Balance 30.6.2013	Granted as Compen- sation	Options Exer- cised	Net Change* Other	Balance 30.6.2014	Total Vested 30.6.2014	Total Exercisable 30.6.2014	Total Unexer- cisable 30.6.2014
Gregory H Solomon	1,587,255	-	-	(1,587,255)	-	-	-	-
Douglas H Solomon	1,388,398	-	-	(1,388,398)	-	-	-	-
Guy T Le Page	-	-	-	-	-	-	-	-
Richard J Beresford	200,000	-	-	(200,000)	-	-	-	-
Roger W Marmaro	550,000	-	-	(50,000)	500,000	500,000	500,000	-
Aaron Gates	500	-	-	(500)	-	-	-	-
Total	3,726,153	-	-	(3,226,153)	500,000	500,000	500,000	-

* Net Change Other refers to options that have been purchased, sold, lapsed or issued during the year.

c. Shareholdings

Number of Shares held by Key Management Personnel

	Balance 30.6.2014	Received as Compen- sation	Options Exercised	Net Change* Other	Balance 30.6.2015
Gregory H Solomon	13,303,303	-	-	3,325,827	16,629,130
Douglas H Solomon	11,059,300	-	-	2,764,826	13,824,126
Guy T Le Page	-	-	-	-	-
Richard J Beresford	2,800,000	-	-	700,000	3,500,000
Roger W Marmaro	2,485,973	-	-	(7,325)	2,478,648
Aaron P Gates	25,000	-	-	75,000	100,000
Total	29,673,576	-	-	6,858,328	36,531,904

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

NOTE 9: KEY MANAGEMENT PERSONNEL COMPENSATION (CONTINUED)

c. Shareholdings (continued)

Number of Shares held by Key Management Personnel

	Balance 30.6.2013	Received as Compen- sation	Options Exercised	Net Change* Other	Balance 30.6.2014
Gregory H Solomon	11,402,830	-	-	1,900,473	13,303,303
Douglas H Solomon	9,479,400	-	-	1,579,900	11,059,300
Guy T Le Page	-	-	-	-	-
Richard J Beresford	2,400,000	-	-	400,000	2,800,000
Roger W Marmaro	2,497,490	-	-	(11,517)	2,485,973
Aaron P Gates	25,000	-	-	-	25,000
Total	25,804,720	-	-	3,868,856	29,673,576

* Net Change Other refers to shares purchased or sold during the financial year.

d. Remuneration

Refer to disclosures contained in the Remuneration Report section of the Directors' Report. The totals of remuneration paid to key management personnel of the Group during the year are as follows:

	2015 \$	2014 \$
Short-term employee benefits	655,910	606,124
Post-employment benefits	41,623	40,610
Other long-term benefits	-	-
Termination benefits	-	-
Share based payments	-	-
Total	697,533	646,734

NOTE 10: CASH AND CASH EQUIVALENTS

	2015 \$	2014 \$
Cash at bank and in hand	507,504	164,891
	507,504	164,891

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the consolidated statement of financial position as follows:

Cash and cash equivalents	507,504	164,891
	507,504	164,891

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
NOTE 11: TRADE AND OTHER RECEIVABLES		
CURRENT		
Trade receivables	71,857	475,460
Less provision for impairment	-	(74,624)
	<u>71,857</u>	<u>400,836</u>
 NOTE 12: INVENTORIES		
At cost	<u>552,797</u>	<u>428,448</u>
	<u>552,797</u>	<u>428,448</u>

NOTE 13: ASSETS HELD FOR SALE

On 29 May 2013, Eden announced a conditional contract to sell all of its interest in its UK Gas project. Since that date that conditional contract was terminated, a heads of terms with another purchaser was agreed and signed, to be subsequently terminated. Management is now actively trying to sell Adamo Energy (UK) Ltd, the subsidiary company which holds the licences, and negotiations are continuing.

Consequently, assets and liabilities allocable to Adamo Energy (UK) Ltd were classified as a disposal group in 2015. Revenue and expenses, gains and losses relating to the discontinuation of Adamo Energy (UK) Ltd have been eliminated from profit or loss from the Group's continuing operations and are shown as a single line item on the face of the statement of profit or loss and other comprehensive income (see loss for the year from discontinued operations).

The loss of Adamo Energy (UK) Ltd to 30 June and the loss from re-measurement of assets and liabilities classified as held for sale is summarised as follows:

	2015	2014
	\$	\$
Accounting and audit	(5,037)	(8,255)
Exploration costs written off	(167,685)	(26,215)
Legal and other consultants	(10,046)	(797)
Other	(1,683)	(2,169)
Loss for the year	<u>(184,451)</u>	<u>(37,436)</u>
Loss on re-measurement to fair value less costs to sell	(3,551,873)	-
Loss for the year for discontinued operations	<u>(3,736,324)</u>	<u>(37,436)</u>

The carrying amounts of assets and liabilities in Adamo Energy (UK) Ltd are summarised as follows:

Current Assets:		
Trade and other receivables	122,313	40,169
Non-current assets:		
Exploration and evaluation expenditure	524,818	3,814,140
Assets classified as held for sale	<u>647,131</u>	<u>3,854,309</u>
Current Liabilities:		
Trade and other payables	(595,818)	-
Liabilities classified as held for sale	<u>(595,818)</u>	<u>-</u>

The net cash flows incurred by Adamo Energy (UK) Ltd are as follows:

Operating	(16,766)	(11,221)
Investing	(226,326)	(152,878)
Financing	-	-
Net cash outflow	<u>(243,092)</u>	<u>(164,099)</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

NOTE 13: ASSETS HELD FOR SALE CONTINUED

	2015 Cents	2014 Cents
Earnings per share:		
Basic, loss for the year from discontinued operations	0.4671	0.0050
The options on issue are not potentially dilutive shares.		

NOTE 14: PROPERTY, PLANT AND EQUIPMENT

	2015 \$	2014 \$
Plant and equipment:		
At cost	792,989	619,780
Accumulated depreciation	(608,114)	(449,394)
Total plant and equipment	<u>184,875</u>	<u>170,386</u>
Total property, plant & equipment	<u>184,875</u>	<u>170,386</u>
Movements in Carrying Amounts		
Balance at the beginning of year	170,386	210,955
Additions	29,092	10,890
Net foreign exchange differences on translation	36,992	(5,133)
Depreciation expense	(51,595)	(46,326)
Carrying amount at the end of year	<u>184,875</u>	<u>170,386</u>

Capitalised costs amounting to \$29,092 (2014: \$10,890) have been included in cash flows from investing activities in the statement of cash flows for the Consolidated Group.

NOTE 15: JOINT OPERATION

A controlled entity, Adamo Energy (UK) Ltd, has a 50% interest in 9 UK gas licences through a Joint Operating Agreement, the principal activity is the exploration and the development of these licences. The interests in joint operation entities are accounted for using the proportionate consolidation method of accounting.

a. Share of joint operation entity's results and financial position

At present activities conducted by the joint operation mainly consist of exploration and development of these licences. The assets mainly consist of capitalised exploration costs of \$524,818 (2014: \$3,814,140) and results of a loss of \$3,736,324 (2014: \$37,436) mainly due to exploration costs written off by the joint operation and re-measurement to fair value less costs to sell. Refer to Note 13.

NOTE 16: CONTROLLED ENTITIES

a. Controlled Entities	Country of Incorporation	Percentage Owned (%)*	
		2015	2014
Adamo Energy Ltd	Australia	100	100
Adamo Energy (UK) Limited	United Kingdom	100	100
Eden Energy (India) Pvt Ltd	India	100	100
Eden Energy Holdings Pty Ltd	Australia	100	100
Eden Innovations Limited**	Ireland	100	100
Eden Innovations LLC (formerly Hythane Company LLC)	USA	100	100
EdenCrete Industries Inc	USA	100	-

* Percentage of voting power is in proportion to ownership

** Dormant Company in liquidation

b. Acquisition of Controlled Entities

No entities were acquired during the year.

c. Disposal of Controlled Entities

No entities were disposed during the year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
NOTE 17: INTANGIBLE ASSETS			
Intellectual property		11,315,409	10,806,799
Accumulated amortisation		(109,007)	(57,610)
Accumulated impairment expenses		(9,401,479)	(9,398,597)
Net carrying value		<u>1,804,923</u>	<u>1,350,592</u>
Balance at the beginning of the year		1,350,592	1,207,707
Additions		508,130	179,344
Amortisation expense		(51,397)	(35,912)
Impairment expense		(2,402)	(547)
Carrying amount at the end of the year		<u>1,804,923</u>	<u>1,350,592</u>

Intellectual property relates mainly to pyrolysis technology developed by Eden with the University of Queensland (UQ) and which Eden now owns 100%. Capitalised costs amounting to \$476,254 (2014: \$214,333) have been included in cash flows from investing activities in the statement of cash flows for the Consolidated Group.

NOTE 18: TRADE AND OTHER PAYABLES

Trade payables and other payables	688,500	891,148
	<u>688,500</u>	<u>891,148</u>

NOTE 19: INTEREST BEARING LIABILITIES

Loan from Noble Energy Pty Ltd (interest at 10%pa, unsecured and repayable on demand)	250,000	-
	<u>250,000</u>	<u>-</u>

NOTE 20: PROVISIONS

Other	140,512	99,722
	<u>140,512</u>	<u>99,722</u>

NOTE 21: ISSUED CAPITAL

	2015 No.	2014 No.	2015 \$	2014 \$
a. Ordinary shares				
At the beginning of reporting period	759,201,038	624,768,743	53,584,609	52,202,937
Shares issued during the year	186,660,716	134,432,295	1,982,843	1,381,672
At reporting date	<u>945,861,754</u>	<u>759,201,038</u>	<u>55,567,452</u>	<u>53,584,609</u>

- i. The ordinary shares on issue have no par value and there is no limited amount of authorised share capital.
- ii. Ordinary shares participate in dividends and in the proceeds on winding up of the parent entity in proportion to the number of shares held. At the shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

	2015 No.	2014 No.
b. Options		
At the beginning of reporting period	3,375,000	73,272,213
Options issued	186,660,716	-
Options lapsed	-	(69,897,213)
At reporting date	<u>190,035,716</u>	<u>3,375,000</u>

- i. For information relating to the Eden Energy Ltd employee option plan, refer to Note 27 Share-based Payments.
- ii. The options issued are free attaching options, exercisable at 3 cents and expiring 30 September 2018.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

NOTE 21: ISSUED CAPITAL CONTINUED

c. Capital Management

Management controls the working capital of the Group in order to maximise the return to shareholders and ensure that the Group can fund its operations and continue as a going concern. Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of expenditure and debt levels, distributions to shareholders and share and option issues. There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

NOTE 22: CASH FLOW INFORMATION

	2015 \$	2014 \$
Reconciliation of Cash Flow from Operations with Loss after Income Tax		
Loss after income tax	(5,499,496)	(1,390,514)
Non-cash flows in loss		
Depreciation and amortisation	102,992	82,238
Provision for warranties	191	(8,715)
Impairment expense	9,962	5,200
Foreign exchange (gain) / loss	(13,891)	113
Settlement of debtor	-	(102,698)
Settlement of provision	-	(165,330)
Non-cash flows in discontinued operations		
Exploration and evaluation expenditure written off	167,685	26,215
Loss on re-measurement to fair value less costs to sell	3,551,873	-
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
(Increase)/decrease in trade and other receivables*	258,846	(48,478)
(Increase)/decrease in inventories	(124,349)	25,062
Increase in trade payables and accruals*	347,996	204,757
Cash flow from operations	<u>(1,198,191)</u>	<u>(1,372,150)</u>

* - Net of non-operating movements

NOTE 23: RESERVES

a. Option Reserve

The option reserve records items recognised as expenses on valuation of employee share options.

b. Foreign Currency Translation Reserve

The foreign currency translation reserve records exchange differences arising on the translation of foreign controlled subsidiaries.

NOTE 24: CAPITAL AND LEASING COMMITMENTS

	2015 \$	2014 \$
a. Capital Expenditure Commitments		
— not later than 12 months	-	-
— greater than 12 months	-	-
	<u>-</u>	<u>-</u>
b. Joint Ventures		

Adamo Energy (UK) Ltd is committed to fund 50% of exploration expenditure and PEDL rents in South Wales pursuant to joint venture agreements in respect of conventional hydrocarbons on Petroleum Exploration and Development licences.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

NOTE 25: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Directors are not aware of any contingent assets or contingent liabilities at 30 June 2015.

NOTE 26: PARENT COMPANY INFORMATION

	2015	2014
	\$	\$
a. Parent Entity		
Assets		
Current assets	408,577	86,607
Non-current assets (includes intercompany receivables of \$18,954,521)	21,734,952	20,355,232
Total Assets	<u>22,143,529</u>	<u>20,441,839</u>
Liabilities		
Current liabilities	787,372	177,930
Total liabilities	<u>787,372</u>	<u>177,930</u>
Equity		
Issued Capital	55,567,452	53,584,609
Retained Earnings	(36,257,553)	(35,362,218)
Reserves		
Option reserve	2,046,258	2,046,258
Total reserves	<u>2,046,258</u>	<u>2,046,258</u>
Financial performance		
Profit / (Loss) for the year	(895,335)	(259,411)
Other comprehensive income, net of tax	-	-
Total comprehensive income	<u>(895,335)</u>	<u>(259,411)</u>

NOTE 27: SHARE-BASED PAYMENTS

The following share-based payment arrangements existed at 30 June 2015:

All options granted to key management personnel are ordinary shares in Eden Energy Limited, which confer a right of one ordinary share for every option held. When issued, the shares carry full dividend and voting rights.

	2015		2014	
	Number of Options	Weighted Average Exercise Price \$	Number of Options	Weighted Average Exercise Price \$
Outstanding at the beginning of the year	3,375,000	0.025	3,631,250	0.036
Granted	-	-	-	-
Lapsed	-	-	(256,250)	0.20
Outstanding at year-end	<u>3,375,000</u>	<u>0.025</u>	<u>3,375,000</u>	<u>0.025</u>
Exercisable at year-end	<u>3,375,000</u>	<u>0.025</u>	<u>3,375,000</u>	<u>0.025</u>

The options outstanding at 30 June 2015 had an exercise price of \$0.025 and a remaining contractual life of 0.4 years.

Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future tender, which may not eventuate.

The life of the options is based on the historical exercise patterns, which may not eventuate in the future.

No options were exercised during the year ended 30 June 2015. Included under employee benefits expense in the income statement is \$NIL (2014: NIL) and relates, in full, to equity settled share-based payment transactions.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

NOTE 28: SEGMENT REPORTING

The Group has identified its operating segments based on internal reports that are reviewed and used by the Board of Directors (chief operating decision maker) in assessing performance and determining allocation of resources. Activities of the Group are managed on Group structure basis and operating segments are therefore determined on the same basis. In this regard the following list of reportable segments has been identified.

- Eden Innovations LLC –Optiblend™ sales, service and manufacturing in USA, and EdenCrete™ sales and development.
- Eden Energy (India) Pvt Ltd – Hythane™ and Optiblend™ sales, service and manufacturing in India.

	Eden Innovations LLC	Eden Energy India Pvt Ltd	Eliminations	Economic Entity (continuing operations)	Discontinued Operations
	\$	\$	\$	\$	\$
2015					
External sales	1,947,436	-	-	1,947,436	-
Internal sales	571,187	-	(571,187)	-	-
Total segment revenue	2,518,623	-	(571,187)	1,947,436	-
Segment Result	(1,056,276)	(162,157)	397,495	(820,938)	(3,736,324)
Unallocated expenses				(900,876)	-
Result from operating activities				(1,721,814)	(3,736,324)
Finance costs				(41,358)	-
Loss before income tax				(1,763,172)	(3,736,324)
Income tax benefit				-	-
Loss after income tax				(1,763,172)	(3,736,324)
Segment assets	850,420	125,086	-	975,506	647,131
Unallocated assets				2,213,500	-
Total assets				3,189,006	647,131
Segment liabilities	18,237,611	780,934	(19,310,185)	291,640	595,818
Unallocated liabilities				787,372	-
Total liabilities				1,079,012	595,818
Capital expenditure	29,092	-	508,610	537,702	226,326
Depreciation and amortisation	51,014	554	51,424	102,992	-
Impairment expense	-	7,560	2,402	9,962	167,685
2014					
External sales	1,779,291	44,189	-	1,823,480	-
Internal sales	203,774	-	(203,774)	-	-
Total segment revenue	1,983,065	44,189	(203,774)	1,823,480	-
Segment Result	(1,151,817)	(120,998)	412,400	(860,415)	(37,436)
Unallocated expenses				(492,444)	-
Result from operating activities				(1,352,859)	(37,436)
Finance costs				(219)	-
Loss before income tax				(1,353,078)	(37,436)
Income tax expense				-	-
Loss after income tax				(1,353,078)	(37,436)
Segment assets	882,763	130,013	-	1,012,776	3,924,528
Unallocated assets				1,437,306	-
Total assets				2,450,082	3,924,528
Segment liabilities	14,056,076	543,094	(13,786,230)	812,940	-
Unallocated liabilities				177,930	-
Total liabilities				990,870	-
Capital expenditure	10,890	-	179,344	190,234	552,743
Depreciation and amortisation	45,350	869	36,019	82,238	-
Impairment expense	2,195	-	3,005	5,200	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

NOTE 29: EVENTS AFTER THE BALANCE SHEET DATE

On 10 August 2015, 30,061,627 shares (each with a free attaching EDEO option) were issued to Noble Energy Pty Ltd, GH Solomon, DH Solomon, GT Le Page and Princebrook Pty Ltd to convert \$420,863 of outstanding debts into equity.

On 2 September 2015, 2,076,851 EDEO options were exercised at \$0.03 each thereby raising \$62,306.

There were no other material events occurring after the reporting date.

NOTE 30: FINANCIAL INSTRUMENTS

a. Financial Risk Exposures and Management

The main risks the company is exposed to through its financial instruments are liquidity risk and credit risk.

i. Liquidity Risk

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate funding is maintained. The Group's operations require it to raise capital on an on-going basis to fund its planned exploration program and to commercialise its tenement assets. If the Group does not raise capital in the short term, it can continue as a going concern by reducing planned but not committed exploration expenditure until funding is available and/or entering into joint venture arrangements where exploration is funded by the joint venture partner.

The remaining contractual maturities of the Group financial liabilities are:

	2015	2014
	\$	\$
12 months or less	1,534,318	891,148
1 year or more	-	-
Total	<u>1,534,318</u>	<u>891,148</u>

ii. Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a financial loss to the company. The company has adopted a policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

The company does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the company.

iii. Foreign currency risk

The Group is exposed to fluctuations in foreign currencies arising from the sale and purchase of goods and services in currencies other than the group's measurement currency. At 30 June 2015, the effect on the loss and equity as a result of a 10% increase in the exchange rates, with all other variables remaining constant would be an increase in loss by \$140,000 (2014: \$130,000) and an decrease in equity by \$140,000 (2014: \$130,000).

iv. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group's minimal exposure to interest rate risk, the only asset / liability affected by changes in market interest rates is Cash and cash equivalents.

b. Financial Instruments

i. Net Fair Values

The aggregate net fair values of:

- Financial assets and financial liabilities, at the balance date, are approximated by their carrying values.

NOTE 31: COMPANY DETAILS

The registered office of the company is:

Eden Energy Limited
Level 15
197 St Georges Terrace
Perth Western Australia 6000

The principal place of business is:

Eden Energy Limited
Level 15
197 St Georges Terrace
Perth Western Australia 6000

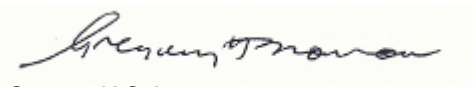
DIRECTORS' DECLARATION

In the opinion of the directors of Eden Energy Ltd:

- a. the financial statements and notes set out on pages 14 to 32, and the Remuneration disclosures that are contained in pages 10 to 11 of the Remuneration Report in the Directors' Report, are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Group's financial position as at 30 June 2015 and of its performance, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
 - (iii) complying with International Financial Reporting Standards as disclosed in Note 1.
- b. the remuneration disclosures that are contained in pages 10 to 11 of the Remuneration Report in the Directors' Report comply with Australian Accounting Standard AASB 124 Related Party Disclosures and
- c. there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the Executive Chairman and Chief Financial Officer for the financial year ended 30 June 2015.

This declaration is made in accordance with a resolution of the Board of Directors.



Gregory H Solomon
Chairman

Dated this 25th day of September 2015

Independent auditor's report to the members of Eden Energy Ltd

Report on the financial report

We have audited the accompanying financial report of Eden Energy Ltd, which comprises the consolidated statement of financial position as at 30 June 2015, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with the Australian Accounting Standards and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Nexia Perth Audit Services Pty Ltd

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Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Eden Energy Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

- (a) the financial report of Eden Energy Ltd is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 1 to the Financial Report, which indicates that the Group will require further funding in the next twelve months from the date of this report to fund its planned operations. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

Report on the remuneration report

We have audited the remuneration report included of the directors' report for the year ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with Section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the remuneration report of Eden Energy Ltd for the year ended 30 June 2015, complies with Section 300A of the *Corporations Act 2001*.



Nexia Perth Audit Services Pty Ltd



TJ Spooner

Director

Perth, 25 September 2015

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

The following additional information is required by the Australian Securities Exchange Ltd.

1. Shareholding as at 31 August 2015

a. Distribution of Shareholders	Number
Category (size of holding)	Ordinary
1 – 1,000	102
1,001 – 5,000	239
5,001 – 10,000	381
10,001 – 100,000	1,552
100,001 – and over	745
	<hr/> 3,019 <hr/>

b. The number of shareholdings held in less than marketable parcels is 407.

c. The names of the substantial shareholders listed in the holding company's register as at 31 August 2015 are:

Shareholder	Number
	Ordinary
Noble Energy Pty Ltd	438,717,543

d. Voting Rights

The voting rights attached to each class of equity security are as follows:

Ordinary shares - Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

e. 20 Largest Shareholders — Ordinary Shares

Name	Number of Shares	% Issued Capital
1. Noble Energy Pty Ltd	406,137,743	41.61%
2. Noble Energy Pty Ltd	32,579,800	3.34%
3. Mr & Mrs Rogerson & Miss C Rogerson <The Rogerson Super Fund A/c>	23,721,195	2.43%
4. Arkenstone Pty Ltd <G H Solomon Family Inv A/c>	20,097,811	2.06%
5. March Bells Pty Ltd	17,165,145	1.76%
6. Dr Kok Kian Lim	13,000,000	1.33%
7. Mr Wayne Kearney & Mrs Robyn Kearney <Kearney Super A/c>	11,095,923	1.14%
8. Mr Boris Duka & Mrs Elizabeth Ann Duka	8,000,000	0.82%
9. Mr Arash Doudman	6,230,000	0.64%
10. Mr Norman Vincent Maher	6,205,717	0.64%
11. Yelrif Investments Pty Limited <Pension Fund A/c>	6,000,000	0.61%
12. Paddocks Superannuation Pty Ltd <Paddocks Super Fund A/c>	5,500,000	0.56%
13. Ultimate Site Development Pty Ltd	5,074,803	0.52%
14. Miss Michelle Hawksley <MHawksley Family A/c>	4,957,705	0.51%
15. Mr Christopher Williams <CS Williams Family A/c>	4,957,705	0.51%
16. Flourish Super Pty Ltd <Flourish S/f A/c>	4,700,000	0.48%
17. Mr Eric Poulter & Mrs Susan Poulter <The Ulysses S/F A/c>	4,596,088	0.47%
18. Citicorp Nominees Pty Ltd	4,513,162	0.46%
19. Top Energy Pty Ltd	4,352,846	0.45%
20. Mr Douglas Solomon	4,095,535	0.42%
	<hr/> 592,981,178 <hr/>	60.76%

**EDEN ENERGY LIMITED ABN 58 109 200 900
and Controlled Entities**

e. 20 Largest Optionholders — EDEO

Name	Number of Options	% of Issued Options
1. Noble Energy Pty Ltd	82,880,441	38.249%
2. Meriwa Street Pty Ltd	9,000,000	4.153%
3. Arkenstone Pty Ltd <G H Solomon Family Inv A/c>	7,784,521	3.593%
4. Flourish Super Pty Ltd <Flourish S/f A/c>	7,650,000	3.530%
5. Quinlynton Pty Ltd <Purser Super Fund A/c>	7,000,000	3.231%
6. Noble Energy Pty Ltd	6,515,960	3.007%
7. March Bells Pty Ltd	6,105,845	2.818%
8. Miss Michelle Hawksley <Mhawksley Family A/c>	4,957,705	2.288%
9. Christopher Stephen Williams <CS Williams Family A/c>	4,957,705	2.288%
10. Mr Douglas Howard Solomon	4,095,535	1.890%
11. Mr & Mrs Rogerson & Miss C Rogerson <The Rogerson Super Fund A/c>	3,600,000	1.661%
12. Mr Gary Tatasciore & Mr Eric Tatasciore & Mr Luke Tatasciore <ELG A/c>	3,600,000	1.661%
13. RM Research Pty Ltd	3,577,126	1.651%
14. Mr Richard Karolewicz & Mrs Gaye Karolewicz	3,567,319	1.646%
15. Mr Gregory Howard Solomon	2,977,860	1.374%
16. Mr Duncan Gerard Gowans	2,500,000	1.154%
17. Mr Duncan Gowans & Mrs Jodie Gowans <Gowans Superfund A/c>	2,500,000	1.154%
18. Elysian Islands Pty Ltd <Elysian Islands S/f A/c>	2,365,456	1.092%
19. Mr Andrew Jamie Phipps	2,325,000	1.073%
20. Mannaburra Investment Pty Ltd	2,100,000	0.969%
	<u>170,060,473</u>	<u>78.482%</u>

2. Unquoted Securities – Options as at 31 August 2015

Holder Name	Date of Expiry	Exercise Price	Number on issue	Number of holders
Employee Share Options	20 November 2015	\$0.025	3,375,000	12
			<u>3,375,000</u>	<u>12</u>

Tenement Schedule as at 31 August 2015

Country/State	Licence Type	Number	% Interest	Holder	Locality
Wales, UK	PEDL	100	50	Adamo Energy (UK) Ltd	Pencoed - Port Talbot
Wales, UK	PEDL	148	50	Adamo Energy (UK) Ltd	Upper Neath Valley
Wales, UK	PEDL	149	50	Adamo Energy (UK) Ltd	Lower Neath Valley
Wales, UK	PEDL	214	50	Adamo Energy (UK) Ltd	Swansea
Wales, UK	PEDL	215	50	Adamo Energy (UK) Ltd	Neath
Wales, UK	PEDL	216	50	Adamo Energy (UK) Ltd	Cowbridge
Wales, UK	PEDL	217	50	Adamo Energy (UK) Ltd	Cowbridge
Wales, UK	PEDL	219	50	Adamo Energy (UK) Ltd	Cowbridge
Wales, UK	PEDL	220	50	Adamo Energy (UK) Ltd	Pontypridd